

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Competitive Product Prices
Priority Mail Contract 150 (MC2016-11)
Negotiated Service Agreement

Docket No. CP2016-12

PUBLIC REPRESENTATIVE COMMENTS ON
POSTAL SERVICE NOTICE OF AMENDMENT
TO PRIORITY MAIL CONTRACT 150

(November 4, 2019)

The Public Representative hereby provides comments pursuant to the Commission's Notice initiating this docket.¹ In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice of a change in the terms of Priority Mail Contract 150.² Attachment A to the Notice consists of a redacted version of Amendment Two to Priority Mail Contract 150.

In Order No. 2799, the Commission approved the Postal Service's request to add a new product identified as Priority Mail Contract 150 to the Competitive product list.³

The instant Amendment, Amendment Two adds new Sections I.B., I.E., III and adds a new Table A. Notice at 2. The Postal Service adds that the supporting financial documentation and financial certification initially provided in this Docket is being supplemented by the accompanying updated financial model. *Id.* The Postal Service

¹ PRC Notice Initiating Docket No. CP2016-12, October 29, 2019

² Notice of United States Postal Service of Amendment to Priority Mail Contract 150, and Motion for Temporary Relief, October 25, 2019 (Notice of Amendment Two).

³ See Order No. 2799, Order Adding Priority Mail Contract 150 to the Competitive Product List, Docket No. CP2016-12, November 3, 2015. The contract was subsequently amended. See Order Approving Amendment One to Priority Mail Negotiated Service Agreement, April 25, 2019 (Order No. 5072)

also states that the Amendment will take effect one business day following the day on which Commission completes its regulatory review of this filing. *Id.* The Contract as Amended, is scheduled to expire on February 1, 2020 unless terminated early due to certain specified circumstances.

COMMENTS

The Public Representative has reviewed Priority Mail Contract 150 and the Postal Service's Amendments thereto, including the updated financial models filed with Amendment Two. Based upon that review, Public Representative supports Commission approval of Amendment Two to Contract 150. The updated financial model indicates that the contract, as amended, will continue to cover its attributable costs thereby satisfying 39 U.S.C. § 3633(a).

In addition, the Postal Service must file revenue and cost data for Contract 150 in future Annual Compliance Reports. This data will continue to permit the Commission to annually review the financial results for Contract 150 in future Annual Compliance Determination (ACD) reports for compliance with 39 U.S.C. § 3633(a).

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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